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Top Secret

POLAND: Coal Exports Increase

The partial recovery of Poland's coal industry under martial law has led to increased exports to the West. The imposition of a six-day workweek and strict discipline in the mines caused production in January and February to rise 14 percent over that of a year ago. Exports amounted to 2.8 million tons, more than triple the same period in 1981. Warsaw's aggressive campaign to regain lost markets is having some success, with Spain purchasing more Polish coal in January than in all of 1981, and Italy, France, and Belgium considering increased purchases.

Comment: Poland's reemergence as a major factor in the West European coal market--largely at the expense of US producers--may partly reflect Warsaw's willingness to offer attractive prices. It also may stem from a desire in Western Europe to diversify sources of supply and to help Poland earn hard currency. The Poles probably are using some of the proceeds from coal sales to help pay debt obligations.

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